## AMENDED IN SENATE MAY 11, 2005 AMENDED IN SENATE APRIL 7, 2005

## SENATE BILL

No. 931

## **Introduced by Senator Florez**

February 22, 2005

An act to amend Section 44508 of add Section 44533.1 to the Health and Safety Code, relating to pollution control.

## LEGISLATIVE COUNSEL'S DIGEST

SB 931, as amended, Florez. Pollution control authority.

Existing law establishes the California Pollution Control Financing Authority, with specified powers and duties, and authorizes the authority to approve financing for projects or pollution control facilities to prevent or reduce environmental pollution.

This bill would prohibit any participating party from seeking financing for any project or pollution control facility unless all activities and facilities at the site comply with local, regional, state and federal laws at the time of the application for financing and prior to the issuance of bonds and notes, and the participating party demonstrates that all local, regional, state, and federal agencies exercising jurisdiction over activities at the site, certify that the activities comply with applicable local, regional, state, and federal laws.

The bill would allow the authority to waive the above requirements with respect to a participating party seeking financing for a specific type of remediation project.

The bill would require applications for financing to include a report of all violations of local, regional, state, or federal laws recorded in the preceding 10 years at the site of the proposed project or pollution control facility. The bill would require the authority to consider the -2-

reported violations prior to acting to approve or deny financing for a project or pollution control facility at the site where the violations occurred.

Existing law authorizes the California Pollution Control Financing Authority to finance various pollution control projects to control and eliminate pollution hazards to the environment. Existing law defines the term "project" for purposes of this purpose, as any land, building, improvement thereto, work, property or structure, real or personal, providing or designed to provide for the control, reduction, abatement, elimination, remediation, or prevention of pollution, as specified.

This bill would exclude from the definition of the term "project" any facility that does not comply with one or more air, water, solid waste, or hazardous waste laws, regulations, or rules.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 44533.1 is added to the Health and 2 Safety Code, to read:
- 3 44533.1. (a) No project or pollution control facility shall be 4 eligible for financing under this division unless:
  - (1) All activities and facilities at the site of the proposed project or pollution control facility are in compliance with local, regional, state, and federal laws at the time of application for financing and prior to the issuance of bonds and notes.
  - (2) The participating party demonstrates that local, regional, state, and federal agencies exercising jurisdiction over activities at the site certify that the activities comply with applicable local, regional, state and federal laws.
  - (b) The requirements of subdivision (a) may be waived by the authority with respect to a participating party seeking financing for a project as defined in subdivision (b) of Section 44508.
  - (c) Any application for financing under this division shall include a report of all violations of local, regional, state, or federal laws recorded in the preceding 10 years at the site of the proposed project or pollution control facility. The authority shall consider the reported violations prior to acting to approve or deny financing for a project or pollution control facility at the

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-3- SB 931

SECTION 1. Section 44508 of the Health and Safety Code is amended to read:

44508. (a) "Project" and "pollution control facility," respectively, mean any land, building, improvement thereto, work, property or structure, real or personal, providing or designed to provide for the control, reduction, abatement, elimination, remediation, or prevention of pollution, including, but not limited to, any of the following:

- (1) Hydrostatic control facilities, dust collectors, smoke bags, settling ponds, filtration plants, sewage disposal facilities, garbage disposal facilities, recycling facilities, dumps, filling grounds, chlorination ponds, treatment works, water utility property, soil excavation and removal, construction, operation, and maintenance of systems that extract, contain, or treat groundwater, soil vapor, gas, or leachate.
- (2) All other structures, systems, or facilities now or hereafter developed or useful in the control of pollution of any type or character, including any structure, equipment, or other facilities for any of the following purposes:
  - (A) The purchase, production, distribution, or sale of water.
- (B) Reducing, treating, neutralizing, or cooling the temperature of any liquid, gaseous, or solid or hazardous waste substance or discharge resulting from the process of manufacture, industry, or commerce, or from the development, processing, or recovery of any natural resource or the generation of electricity, steam heat, or manufactured gas, together with the recovery, treatment, neutralizing, stabilizing, or cooling equipment, facilities, plants, or structures necessary to reduce, control, remediate, or eliminate pollution.
- (3) Any and all facilities that may hereafter be developed through science, study, and investigation to aid and assist in the control of pollution or the removal or treatment of any substance that might otherwise cause or contribute to pollution, and including the use of renewable energy resource devices or the development of an energy conservation program where that action is designed to reduce onsite emissions or pollutants.
- (b) "Project" also means payment by a party for the party's share of the cost of remediation of pollution at a contaminated site for which the party is a de minimis or de micromis responsible party, and the party has been accorded that status in

SB 931 —4—

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an expedited final settlement or other settlement with the United States Environmental Protection Agency, reached in accordance with subsection (g) of Section 122 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. Sec. 9601 et seq.) and the regulations and guidance issued by the United States Environmental Protection Agency pursuant to that act.

(c) Notwithstanding subdivisions (a) and (b), "project" does

(e) Notwithstanding subdivisions (a) and (b), "project" does—not include any facility that does not comply with one or more air, water, solid waste, or hazardous waste laws, regulations, or rules, including, but not limited to, regulations required to be adopted pursuant to Sections 40724, 40724.5, and 40725.